

State of South Dakota

EIGHTY-EIGHTH SESSION LEGISLATIVE ASSEMBLY, 2013

686U0161

HOUSE BILL NO. 1173

Introduced by: Representatives Kopp, Campbell, Craig, Ecklund, Feickert, Gosch, Hagggar (Don), Hagggar (Jenna), Hickey, Kaiser, Latterell, Magstadt, May, Miller, Nelson, Olson (Betty), Qualm, Rozum, Schaefer, Steele, Verchio, and Wick and Senators Jensen, Adelstein, Begalka, Bradford, Lederman, Rampelberg, Rhoden, and Van Gerpen

1 FOR AN ACT ENTITLED, An Act to establish an education property tax credit program.

2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

3 Section 1. Any owner of property that is subject to taxation pursuant to chapter 10-4 may
4 receive a property tax credit to be applied toward any property tax levied on the property for the
5 school district in which the property is located. The reduction is based on education expenses
6 the owner has incurred for any child who meets the following qualifications:

7 (1) The child is at least five years old, but not older than eighteen years; and

8 (2) The child is a kindergarten through twelfth grade student enrolled in a nonpublic
9 school or the child is receiving alternative instruction pursuant to § 13-27-3.

10 Incurred, eligible education expenses for which a property tax credit may be received
11 pursuant to this Act include tuition and school fees for any child enrolled in a nonpublic school,
12 and the purchase of curriculum and other necessary educational materials and resources.

13 Section 2. The amount of the property tax credit received by any property owner in any year



1 may not exceed the total amount of school district taxes owed to that school district by the
2 owner for that year. In addition, the total amount of property tax credits received by an
3 individual property owner or by multiple property owners pursuant to this Act for incurred
4 eligible education expenses for any individual child in any year may not exceed eighty percent
5 of the current year's per student allocation in the general state aid to education formula as
6 defined in subdivision 13-13-10.1(4).

7 Section 3. To apply for a property tax credit pursuant to this Act, a property owner shall,
8 prior to January first, submit an application to the county director of equalization stating that the
9 person is the owner of the property and stating the name and school enrollment information for
10 any child for whom the property owner has incurred eligible education expenses. The
11 application shall be on a form prescribed by the Department of Education and shall be verified
12 by the school in which each child is enrolled. On the application, the property owner shall list
13 each eligible education expense the owner has incurred and the cost of each. The property owner
14 shall sign the application under penalty of perjury and provide documentation to substantiate
15 each expense listed.

16 Section 4. The property tax bill sent to each taxpayer pursuant to § 10-21-1.1 shall reflect
17 any property tax credits received pursuant to this Act.

18 Section 5. The Department of Education shall promulgate rules pursuant to chapter 1-26 to
19 specify the forms and procedures for filing and processing requests for property tax credits
20 under this Act and the documentation that is necessary to verify the eligible education expenses.